

Before the United States House of Representatives

**Committee on Energy and Commerce
Subcommittee on Commerce, Trade and Consumer Protection**

**Hearing on Car Title Fraud:
Issues and Approaches for Keeping Consumers Safe on the Road**

Wednesday, March 1, 2006 – 10:00 am
2123 Rayburn House Office Building

Testimony of Alan Fuglestad
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Description of Experian Automotive

Experian Automotive delivers information solutions to manufacturers, dealers, lenders, insurance companies, and consumers. Experian helps automotive clients increase customer loyalty, target and win new business, and make better lending and vehicle purchase decisions. Its National Vehicle Database, housing information on more than 500 million vehicles, meets the industry's growing demand for an integrated information source. Experian technology supports several top automotive web sites including eBay Motors, CarsDirect.com, NADAguides.com, Autobytel and Yahoo! Autos.

One of Experian's key automotive solutions is its AutoCheck® Vehicle History Report. A Vehicle History Report is designed to help consumers and businesses make better vehicle purchase decisions by quickly and easily understanding potentially significant historical events for pre-owned vehicles manufactured in 1981 or later. Using the Vehicle Identification Number (VIN) and depending on the information reported to Experian, an AutoCheck vehicle history report can reveal frequency and location of title and registrations, past title brands, past accidents, and odometer history. Through its joint venture with The First American Corporation (leading provider of mortgage title insurance), Experian also offers consumers a vehicle title insurance policy (TitleGuard) that covers hidden title defects (e.g., water damage, salvage) with coverage up to the full purchase price of the vehicle.

AutoCheck Vehicle History Reports supply information about pre-owned vehicles from a multitude of data sources, including state departments of motor vehicles (DMVs), auto auctions, police accident reports, and salvage yards. AutoCheck is the volume leader in supplying vehicle history information to the automotive industry. Dealers, consumers

and manufactures can easily access the AutoCheck information via the AutoCheck web site or other integration methods. One example is Experian's partnership with NADA to integrate and market AutoCheck vehicle history information to auto dealers through its line of used car valuation products. AutoCheck offers toll-free telephone and email support to all clients should they have questions regarding any event in the vehicle's past.

The AutoCheck Vehicle History Report is similar to Experian's many other products and services in that responsible information-sharing results in compiled, third-party information that benefits consumers. Information sharing:

- Allows businesses to ascertain and meet customer needs rapidly and efficiently
- Permits consumers to learn rapidly and at low cost of those opportunities in which they are most likely to be interested
- Promotes market competition
 - by facilitating the entry of new competitors into established markets,
 - by reducing the advantage of large, incumbent firms have over smaller startups, and
 - by encouraging business to specialize to meet specific consumer needs.
- Expands consumer access to a wide range of affordable services and products
- Enhances customer convenience and services
- Improves efficiency and significantly reduces the cost of many products and services
- Expands the number of consumers who have access to more credit at better prices
- Facilitates the detection and prevention of fraud and other crimes.

Consumers enjoy many benefits from the responsible sharing of information. This sharing also enables economic activity and competition.

How Experian Automotive Helps Prevent Vehicle Title Fraud

Today's consumer faces a number of challenges in ensuring they know what they're getting when buying a used vehicle. The challenges include the lack of consumer access to or knowledge of vehicle history information and differences in title branding and reporting from state to state.

Vehicle title fraud has existed for years – well before the hurricane tragedies of last year. However, the recent storms and the resulting flood damage to hundreds of thousands of vehicles have highlighted the vehicle title fraud problem and how significant of an issue it really is. Since the hurricanes of last year, we have seen up to 400% increases in derogatory vehicle brands, such as salvage, scrapped, water damaged and storm damaged, coming into Experian's vehicle database from the DMVs of certain hurricane-impacted states. Even if potential buyers are not in an area directly affected by a hurricane or flooding, cars often are repaired and shipped across the country in a matter of weeks, putting consumers at risk of unknowingly buying damaged, unsafe vehicles.

There are steps consumers can take to help protect themselves from title fraud or unknowingly buying a damaged car. One of the most important steps a car-buyer can take is to better understand the history of a car prior to purchasing it by obtaining a vehicle history report. A vehicle history report can tell potential buyers if the vehicle has severe flood damage, been branded "lemon" or "salvage," if the vehicle has been in an accident, where and how many times the vehicle has been titled and the vehicle's odometer history. Experian's vehicle history reports include DMV data from all 51 U.S.

jurisdictions. Therefore, consumers are protected against title fraud or title washing when multiple title events occur across states with different titling and branding standards.

Consumers can check a car's reported background by obtaining a history report from the seller or dealer or online through AutoCheck Vehicle History Reports.

Consumers can enter a car's Vehicle Identification Number (VIN) at www.autocheck.com and receive a detailed vehicle history report. See the attached examples of AutoCheck Vehicle History Reports – one example is a history report for a damaged vehicle and the other example is for a vehicle with no major issues reported. Experian recommends a thorough vehicle inspection be performed as well. We advocate consumer inspection tips from the National Automobile Dealers Association (NADA).

By taking a few simple precautions when buying a used car, consumers can safeguard themselves from the frustration of wasting their hard-earned money on a damaged vehicle, or worse, unknowingly purchasing an unsafe vehicle.

In the wake of the most recent hurricanes, Experian set out on an awareness campaign for dealers and consumers. Experian launched a cooperative effort with NADA designed to educate its members and build awareness of the large number of storm damaged cars that would be hitting the market after these catastrophes. Information was supplied about how to identify and recognize a storm-damaged vehicle and a process was established so that dealers and others could report their own vehicles damaged by the storms. Our goal was to make this information available more quickly than the traditional reporting process through state DMVs. Experian is now making this information available to NADA members and consumers at no charge via its AutoCheck storm scan functionality, which includes three pieces of information:

1. Self-reported information on storm damaged vehicles from dealers and manufacturers.
2. Past vehicle title brands whether or not they are the result of a storm.
3. Title and registration history that reveals whether the vehicle has been titled or registered in areas affected by storm during the previous twelve months. If considering a purchase of one of these vehicles, Experian recommends a professional vehicle inspection.

Experian also provided state attorneys general offices with vehicle inspection tips and AutoCheck storm scan availability so they may educate their constituents regarding the risk of purchasing a storm damaged vehicle.

Public/Private Efforts to Improve Titling and Disclosure of Brands

There are numerous examples and opportunities of how public and private organizations can partner to improve titling and brand disclosure.

Experian has enjoyed a good relationship with the American Association of Motor Vehicle Administrators (AAMVA) for many years. We are also an Industry Member with the 'sister' organization, Canadian Council of Motor Transport Administrators.

Experian supports AAMVA as an Associate Member and through our participation in the Industry Advisory Board. We have been in discussion with AAMVA for some time about how we may further support their efforts to combat title and vehicle fraud.

For the past several years, industry has developed assets and solutions for the marketplace that can be leveraged to support AAMVA's National Motor Vehicle Title Information System (NMVTIS) initiative. For example,

- Experian currently receives vehicle data from all U.S. jurisdictions. A comprehensive, national data source is imperative in combating title and vehicle fraud.
- Experian has expended significant resources in analyzing, interpreting, validating, standardizing, and hosting this data to provide a comprehensive national database of vehicle data to be used in solutions and services. This process allows the data to be used in a 'common' format while retaining the specific content of the different sources.
- Experian has developed secure, flexible methods for distributing our vehicle history reports and services based on the needs of our partners and clients.

Experian offers our AutoCheck services free of charge to law enforcement agencies to support their investigative efforts. We support organizations such as the National Odometer and Title Fraud Enforcement Association (NOTFEA), the International Association of Lemon Law Administrators (IALLA) and the Association of Traffic Safety Information Professionals (ATSIP).

Experian welcomes the opportunity to work with government to provide critical information to consumers and business. Whether working with AAMVA, the state DMVs or other organizations, having comprehensive vehicle history information available at the point of purchase or titling a vehicle, or during an investigation, is critical

to consumers, businesses, DMVs, law enforcement and others in combating title and vehicle fraud.

Challenges Associated with Acquiring Data

Experian Automotive has dedicated staff who are researching and analyzing potential data sources everyday. We are always looking for important data that can impact our AutoCheck report to the benefit of business and consumers.

Timely access to vehicle data from a broad set of data sources is a key Experian goal. There are key challenges in meeting this goal that we address on a continuous basis.

The high and unpredictable nature of our data costs from the state DMVs is one of our primary risks of doing business. Experian pays millions of dollars annually to the states for the right to collect and preserve this data. There are significant differences in pricing between the various state DMV organizations, and we've seen significant increases in pricing from year to year. In addition, in order for the data to continue to be useful, it is necessary to store and maintain the information for an indefinite period of time.

Experian provides information solutions based on a national database of vehicle information. As a bulk data purchaser, we must aggregate data from all of the DMVs prior to offering our services and solutions (and beginning to recover costs).

To add to the business risk of our data cost, various state and federal laws and regulations greatly restrict what we can do with the records we purchase, which limits our ability to recover the cost of this data.

Finally, in addition to the cost of acquiring this data, we also expend significant resources interpreting, validating, aggregating, and standardizing the various state-specific file formats for use in our solutions.

Your AutoCheck Vehicle History Report



Report Run Date: 08/31/2005

Vehicle Description 1J4FF48SXYLXXXXXX

TitleCheck Records found

ProblemCheck No records found

OdometerCheck Records found

Vehicle Information Records found

Full History Records found

[Print Report](#)



Warning! This Vehicle Does NOT qualify as AutoCheck Assured.
The Vehicle Identification Number (VIN) you submitted has been analyzed and summary detail information on your car is shown below.

Vehicle Description | TitleCheck | ProblemCheck | OdometerCheck | Vehicle Information | Full History

Vehicle Description

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Your Vehicle's Description:

VIN: 1J4FF48SXYLXXXXXX
Year: 2000
Make: Jeep
Model: Cherokee Sport
Style/Body: 4 Door Utility
Engine: 4.0L I-6 SFI
Country of Assembly: United States

Key:		= No Problem		= Problem		= Information
	Found		Found		Found	

Vehicle Description | TitleCheck | ProblemCheck | OdometerCheck | Vehicle Information | Full History

TitleCheck

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Title Problem Found! AutoCheck's database for this 2000 Jeep Cherokee Sport (1J4FF48SXYLXXXXXX) found historical events that might indicate a significant automotive problem. These problems can indicate past automotive damage or warnings associated with the vehicle title.

Problems Checked:

Abandoned

Damaged

Fire Damage

Grey Market

Results Found

- No Abandoned Record Found
- No Damaged Record Found
- No Fire Damage Record Found
- No Grey Market Record Found

Hail Damage	✓ No Hail Damage Record Found
Insurance Loss	✓ No Insurance Loss Record Found
Junk	✓ No Junk Record Found
Rebuilt/Rebuildable	❗ Rebuilt/Rebuildable Record(s) Found
Salvage	❗ Salvage Record(s) Found

[Vehicle Description](#) | [TitleCheck](#) | [ProblemCheck](#) | [OdometerCheck](#) | [Vehicle Information](#) | [Full History](#)

ProblemCheck

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Your Vehicle Checks Out! AutoCheck's database for this 2000 Jeep Cherokee Sport (1J4FF48SXYLXXXXXX) shows no historical events that indicate a significant automotive problem. These problems can indicate previous car damage, theft, or other significant problem.

Problems Checked:

[NHTSA Crash Test Vehicle](#)

[Frame Damage](#)

[Major Damage Incident](#)

[Manufacturer Buyback/Lemon](#)

[Odometer Problem](#)

[Recycled](#)

[Salvage Auction](#)

[Water Damage](#)

Results Found

- ✓ No NHTSA Crash Test Vehicle Record Found
- ✓ No Frame Damage Record Found
- ✓ No Major Damage Incident Record Found
- ✓ No Manufacturer Buyback/Lemon Record Found
- ✓ No Odometer Problem Record Found
- ✓ No Recycled Record Found
- ✓ No Salvage Auction Record Found
- ✓ No Water Damage Record Found

[Vehicle Description](#) | [TitleCheck](#) | [ProblemCheck](#) | [OdometerCheck](#) | [Vehicle Information](#) | [Full History](#)

OdometerCheck

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Your Vehicle Checks Out! For this 2000 Jeep Cherokee Sport(1J4FF48SXYLXXXXXX)no indication of an odometer rollback or tampering was found. We determine odometer rollbacks by searching for records that indicate odometer reading that are less than a previously reported value. Other odometer events can report events of tampering, or possible odometer breakage.

Report Run Date: 08/31/2005

Date Reported

01/23/01
07/06/01
09/24/04

Odometer Reading

12,320
14,897
44,000

[Vehicle Description](#) | [TitleCheck](#) | [ProblemCheck](#) | [OdometerCheck](#) | [Vehicle Information](#) | [Full History](#)

Vehicle Information

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Information Found! AutoCheck found additional information on this vehicle. These records will provide you with more past history for this 2000 Jeep Cherokee Sport(1J4FF48SXYLXXXXXX).

Problems Checked:

[Accident Data](#)

[Corrected Title](#)

[Driver Education](#)

[Duplicate Title](#)

[Emission/Safety Inspection](#)

Results Found

- ❗ Accident Data Record(s) Found
- ✓ No Corrected Title Record Found
- ✓ No Driver Education Record Found
- ✓ No Duplicate Title Record Found
- ✓ No Emission/Safety Inspection Record Found

<u>Fire Damage Incident</u>	✓ No Fire Damage Incident Record Found
<u>Lease</u>	✓ No Lease Record Found
<u>Lien</u>	✓ No Lien Record Found
<u>Livery Use</u>	✓ No Livery Use Record Found
<u>Government Use</u>	✓ No Government Use Record Found
<u>Police Use</u>	✓ No Police Use Record Found
<u>Fleet</u>	✓ No Fleet Record Found
<u>Fleet and/or Rental</u>	✓ No Fleet and/or Rental Record Found
<u>Rental</u>	✓ No Rental Record Found
<u>Fleet and/or Lease</u>	✓ No Fleet and/or Lease Record Found
<u>Repossessed</u>	✓ No Repossessed Record Found
<u>Taxi Use</u>	✓ No Taxi Use Record Found
<u>Theft</u>	✓ No Theft Record Found

Vehicle Description | TitleCheck | ProblemCheck | OdometerCheck | Vehicle Information | Full History

Full History

Below are the historical events for this vehicle listed in chronological order. Any discrepancies will be in **bold text**.

Report Run Date: 08/31/2005

VIN 1J4FF48SXYLXXXXX 2000 Jeep Cherokee Sport

Event Date	Event Location	Odometer Reading	Data Source	Event Detail
01/08/00	HUNTINGTON, NY		MOTOR VEHICLE DEPT.	REGISTRATION EVENT/RENEWAL
02/19/00	SUFFOLK COUNTY, NY		STATE AGENCY	COLLISION WITH ANOTHER VEHICLE (Case #: 01622500)
09/13/00	QUEENS COUNTY, NY		STATE AGENCY	COLLISION WITH A FIXED OBJECT (CURB) (Case #: 03815070)
01/23/01	LENNOX, SD	12,320	MOTOR VEHICLE DEPT.	TITLE (Title #: 11397487) TITLE (Title #: 11397487)
01/25/01	POUGHKEEPSIE, NY		MOTOR VEHICLE DEPT.	TITLE
01/25/01	POUGHKEEPSIE, NY		MOTOR VEHICLE DEPT.	REBUILT/REBUILDABLE
01/25/01	POUGHKEEPSIE, NY		MOTOR VEHICLE DEPT.	SALVAGE
02/23/01	DUBUQUE, IA		MOTOR VEHICLE DEPT.	TITLE (Title #: 31S038113) SALVAGE
04/10/01	DUBUQUE, IA		MOTOR VEHICLE DEPT.	TITLE (Title #: 31W495682) SALVAGE
07/06/01	DUBUQUE, IA	14,897	MOTOR VEHICLE DEPT.	TITLE (Title #: 31W502991) SALVAGE
08/13/01	KANSAS CITY, MO		MOTOR VEHICLE DEPT.	REGISTRATION EVENT/RENEWAL
08/20/01	KANSAS CITY, MO		MOTOR VEHICLE DEPT.	TITLE (Title #: PC250290)
08/29/02	KANSAS CITY, MO		MOTOR VEHICLE DEPT.	REGISTRATION EVENT/RENEWAL
09/21/04	STERLING, IL		MOTOR VEHICLE DEPT.	REGISTRATION EVENT/RENEWAL

09/24/04 STERLING, IL
07/30/05 STERLING, IL

44,000 MOTOR VEHICLE DEPT. TITLE (Title #: T4268146013)
MOTOR VEHICLE DEPT. REGISTRATION
EVENT/RENEWAL

Print Report

Check Your Credit - It's Fast and Free!

AutoCheck Vehicle History Report Terms and Conditions:

Experian's AutoCheck Vehicle History Report is compiled from multiple sources. It is not always possible for Experian to obtain complete discrepancy information on all vehicles, therefore, there may be other title brands, odometer readings or discrepancies that apply to this vehicle that are not reflected on this report. Experian searches data from additional sources where possible but all discrepancies may not be reflected on the AutoCheck Vehicle History Report.

THESE REPORTS ARE BASED ON INFORMATION SUPPLIED TO EXPERIAN BY EXTERNAL SOURCES BELIEVED TO BE RELIABLE, BUT NO RESPONSIBILITY IS ASSUMED BY EXPERIAN OR ITS AGENTS FOR ERRORS, INACCURACIES OR OMISSIONS. THE REPORTS ARE PROVIDED STRICTLY ON AN "AS IS WHERE IS" BASIS, AND EXPERIAN FURTHER EXPRESSLY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE REGARDING THIS REPORT.

Experian shall not be liable for any delay or failure to provide an accurate report if and to the extent which such delay or failure is caused by events beyond the reasonable control of Experian including, without limitation, acts of God or public enemies, labor disputes, equipment malfunctions, material or component shortages, supplier failures, embargoes, rationing, acts of local, state or national governments, or public agencies, utility or communication failures or delays, fire, earthquakes, flood, epidemics, riots and strikes.

These terms and the relationship between you and Experian shall be governed by the laws of the State of Illinois (USA) without regard to its conflict of law provisions. You and Experian agree to submit to the personal and exclusive jurisdiction of the courts located within the county of Cook, Illinois.

Your AutoCheck Vehicle History Report



Report Run Date: 02/28/2006

Vehicle Description 1MEFM55S61AXXXXXX
TitleCheck No records found
ProblemCheck No records found
OdometerCheck Records found
Vehicle Information Records found
Full History Records found

Print Report



This Vehicle Qualifies as AutoCheck Assured

The vehicle submitted has been analyzed and currently qualifies for **AutoCheck Buyback Protection!** See detailed information, terms and conditions below. If you own this vehicle, register at www.autocheck.com/protection.

Vehicle Description | TitleCheck | ProblemCheck | OdometerCheck | Vehicle Information | Full History

Vehicle Description

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Your Vehicle's Description:

VIN: 1MEFM55S61AXXXXXX
 Year: 2001
 Make: Mercury
 Model: Sable LS Premium
 Style/Body: 4 Door Sedan
 Engine: 3.0L V6 EFI DOHC
 Country of Assembly: United States

Key:		= No Problem		= Problem		= Information
	Found		Found		Found	

Vehicle Description | TitleCheck | ProblemCheck | OdometerCheck | Vehicle Information | Full History

TitleCheck

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Your Vehicle Checks Out! AutoCheck's results for this 2001 Mercury Sable LS Premium (1MEFM55S61AXXXXXX) show no significant Title events. When found, events often indicate past automotive damage or warnings associated with the vehicle title.

Problems Checked:

Abandoned

Damaged

Fire Damage

Results Found

- No Abandoned Record Found
- No Damaged Record Found
- No Fire Damage Record Found

[Grey Market](#)

✓ No Grey Market Record Found

[Hail Damage](#)

✓ No Hail Damage Record Found

[Insurance Loss](#)

✓ No Insurance Loss Record Found

[Junk](#)

✓ No Junk Record Found

[Rebuilt/Rebuildable](#)

✓ No Rebuilt/Rebuildable Record Found

[Salvage](#)

✓ No Salvage Record Found

[Vehicle Description](#)[TitleCheck](#)[ProblemCheck](#)[OdometerCheck](#)[Vehicle Information](#)[Full History](#)

ProblemCheck

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Your Vehicle Checks Out! AutoCheck's database for this 2001 Mercury Sable LS Premium (1MEFM55S61AXXXXXX) shows no historical events that indicate a significant automotive problem. These problems can indicate previous car damage, theft, or other significant problem.

Problems Checked:[NHTSA Crash Test Vehicle](#)**Results Found**

✓ No NHTSA Crash Test Vehicle Record Found

[Frame Damage](#)

✓ No Frame Damage Record Found

[Major Damage Incident](#)

✓ No Major Damage Incident Record Found

[Manufacturer Buyback/Lemon](#)

✓ No Manufacturer Buyback/Lemon Record Found

[Odometer Problem](#)

✓ No Odometer Problem Record Found

[Recycled](#)

✓ No Recycled Record Found

[Salvage Auction](#)

✓ No Salvage Auction Record Found

[Water Damage](#)

✓ No Water Damage Record Found

[Vehicle Description](#)[TitleCheck](#)[ProblemCheck](#)[OdometerCheck](#)[Vehicle Information](#)[Full History](#)

OdometerCheck

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Your Vehicle Checks Out! For this 2001 Mercury Sable LS Premium (1MEFM55S61AXXXXXX) no indication of an odometer rollback or tampering was found. We determine odometer rollbacks by searching for records that indicate odometer reading that are less than a previously reported value. Other odometer events can report events of tampering, or possible odometer breakage.

Report Run Date: 02/28/2006**Date Reported****Odometer Reading**

02/09/2001	20
02/05/2002	12,372
03/20/2002	12,392
09/18/2002	15,590
05/18/2004	24,035
03/01/2005	26,960

[Vehicle Description](#)[TitleCheck](#)[ProblemCheck](#)[OdometerCheck](#)[Vehicle Information](#)[Full History](#)

Vehicle Information

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Information Found! AutoCheck found additional information on this vehicle. These records will provide you with more past history for this 2001 Mercury Sable LS Premium(1MEFM55S61AXXXXXX).

Problems Checked:[Accident Data](#)**Results Found**

✓ No Accidents Reported Through State Agencies Or Independent Sources

[Corrected Title](#)

✓ No Corrected Title Record Found

<u>Driver Education</u>	✓ No Driver Education Record Found
<u>Duplicate Title</u>	✓ No Duplicate Title Record Found
<u>Emission/Safety Inspection</u>	❗ Emission/Safety Inspection Record(s) Found
<u>Fire Damage Incident</u>	✓ No Fire Damage Incident Record Found
<u>Lease</u>	✓ No Lease Record Found
<u>Lien</u>	❗ Lien Record(s) Found
<u>Livery Use</u>	✓ No Livery Use Record Found
<u>Government Use</u>	✓ No Government Use Record Found
<u>Police Use</u>	✓ No Police Use Record Found
<u>Fleet</u>	✓ No Fleet Record Found
<u>Fleet and/or Rental</u>	✓ No Fleet and/or Rental Record Found
<u>Rental</u>	✓ No Rental Record Found
<u>Fleet and/or Lease</u>	✓ No Fleet and/or Lease Record Found
<u>Repossessed</u>	✓ No Repossessed Record Found
<u>Storm Area Registration/Title</u>	✓ No Storm Area Registration/Title Record Found
<u>Taxi Use</u>	✓ No Taxi Use Record Found
<u>Theft</u>	✓ No Theft Record Found

Vehicle Description | TitleCheck | ProblemCheck | OdometerCheck | Vehicle Information | Full History

Full History

Below are the historical events for this vehicle listed in chronological order. Any discrepancies will be in **bold text**.

Report Run Date: 02/28/2006

VIN 1MEFM55S61AXXXXXX

2001 Mercury Sable LS Premium

Event Date	Event Location	Odometer Reading	Data Source	Event Detail
02/09/2001	OTTSVILLE, PA	20	MOTOR VEHICLE DEPT.	TITLE (Lien Reported) (Title #: 55759006)
02/20/2001	OTTSVILLE, PA		MOTOR VEHICLE DEPT.	REGISTRATION EVENT/RENEWAL
06/13/2001	OTTSVILLE, PA		MOTOR VEHICLE DEPT.	TITLE (Lien Reported) (Title #: 55759006)
09/24/2001	OTTSVILLE, PA		MOTOR VEHICLE DEPT.	REGISTRATION EVENT/RENEWAL
02/05/2002	DEARBORN, MI	12,372	MOTOR VEHICLE DEPT.	TITLE (Title #: 298N0360388)
03/20/2002	EASTERN REGION	12,392	AUTO AUCTION	REPORTED AT AUTO AUCTION
07/09/2002	CLYDE, NY		MOTOR VEHICLE DEPT.	REGISTRATION EVENT/RENEWAL
07/19/2002	NY		INDEPENDENT SOURCE	INDEPENDENT INSPECTION/THEFT DETERRENT EQUIPPED
09/18/2002	NY	15,590	MOTOR VEHICLE DEPT.	TITLE (Lien Reported)
09/04/2003	CLYDE, NY		MOTOR VEHICLE DEPT.	REGISTRATION EVENT/RENEWAL
03/15/2004	WOLCOTT, NY		MOTOR VEHICLE DEPT.	REGISTRATION EVENT/RENEWAL

05/18/2004 NY	24,035 MOTOR VEHICLE TITLE (Lien Reported) DEPT.
01/31/2005 WOLCOTT, NY	MOTOR VEHICLE REGISTRATION DEPT. EVENT/RENEWAL
03/01/2005 NY	26,960 MOTOR VEHICLE PASSED EMISSION INSPECTION DEPT. PASSED SAFETY INSPECTION

Print Report

Check Your Credit - It's Fast and Free!

Own this vehicle? Register the policy at www.autocheck.com/protection

AutoCheck Vehicle History Report Terms and Conditions:

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Experian shall not be liable for any delay or failure to provide an accurate report if and to the extent which such delay or failure is caused by events beyond the reasonable control of Experian including, without limitation, acts of God or public enemies, labor disputes, equipment malfunctions, material or component shortages, supplier failures, embargoes, rationing, acts of local, state or national governments, or public agencies, utility or communication failures or delays, fire, earthquakes, flood, epidemics, riots and strikes.

*Except where "buyback protection" is issued and, in such case, these terms and conditions are modified only to the extent inconsistent with the express terms of the "buyback protection".

These terms and the relationship between you and Experian shall be governed by the laws of the State of Illinois (USA) without regard to its conflict of law provisions. You and Experian agree to submit to the personal and exclusive jurisdiction of the courts located within the county of Cook, Illinois.

Buyback Protection Terms and Conditions for VIN 1MEFM55S61AXXXXXX:



Buyback Protection Terms and Conditions

Subject to the following, Experian agrees to pay the Customer the Customer's purchase price of the Vehicle if:
A. the AutoCheck Report was provided prior to the purchase of the Vehicle and on or after June 27, 2005; and
B. the Report reflects no Branded Titles as part of the Vehicle title history, but a Branded Title actually exists.

DEFINITIONS

- 1a. Branded Title- is a vehicle ownership or registration document issued by any of the 50 states of the U.S. (or the District of Columbia), issued with words or symbols signifying that the vehicle was: junked or salvaged; dismantled, rebuilt or reconstructed; flood damaged; fire damaged; hail damaged; bought back by its manufacturer ("Lemon Law" vehicle); odometer exceeds mechanical limits; odometer was not actual mileage; or which was issued with any other symbol or word signifying a substantially similar brand.
- 1b. Excluded Brands- Specifically excluded from the definition of Branded Title are: ownership and registration documents originally issued without a brand but later stamped with a brand without being reissued; salvage titles issued due to theft; damage disclosure documents; and Branded Titles issued in error and later corrected.
2. Consumer- the person (other than a Dealer or Transferee) who ordered and paid for the Report prior to their purchase of the Vehicle.
3. Customer- a Consumer, or any licensed automobile dealer ("Dealer") who ordered and paid for the Report through an AutoCheck Commercial Service ("Commercial Service" is any site geared solely for dealers or other commercial users, such as AutoCheckmembers.com, either accessed directly or through a partner, and AutoCheck Express) or the Transferee of any such Dealer.
4. Report/AutoCheck Report- AutoCheck Vehicle History Report.
5. Transferee- the purchaser of the Vehicle from the Dealer.
6. Vehicle- the passenger vehicle or light truck to which the Report relates.

TERMS AND CONDITIONS

1. The Customer must have previously purchased the Vehicle and own the Vehicle at the time the claim is made. If the Vehicle is subject to a lien in an unpaid amount greater than the amount identified in item 8, this Protection only applies if the Customer pays Experian the difference.
2. The Customer must complete and submit to Experian an executed claim form and provide a complete copy of the Report. Any Dealer Customer must have obtained the Report through an AutoCheck Commercial Service prior to the purchase of the Vehicle.
3. The Customer must provide to Experian proof of ownership of the Vehicle in the form of the original bill of sale and a current vehicle ownership document issued to the Customer by the motor vehicle agency of one of the 50 states of the United States or the District of Columbia.
4. The Customer must provide to Experian a copy of the front and back of the Branded Title, certified by the issuing state authority. The Branded Title must have been issued at least sixty (60) days prior to the date the Report was run.
5. The Customer must deliver to Experian all ownership and registration documentation including, the certificate of title and certificate of registration, properly assigned by the Customer to Experian so Experian becomes the owner of the Vehicle.
6. If, prior to purchasing the Vehicle, the Customer knew, or had evidence, of the existence of a Branded Title for the Vehicle, the Protection does not apply.
7. Experian will pay a maximum of the purchase price of the Vehicle paid by the Customer (plus warranties and other additional purchases such as installed aftermarket accessories, not exceeding a total of \$500).
8. If the purchase price of the Vehicle in item 7 exceeds the NADA Used Car Guides used vehicle retail value at the time of the sale, Experian will pay no more than ten percent (10%) over the NADA Used Car Guides used vehicle retail value at the time the Customer purchased the Vehicle.
9. The Buyback Protection will apply only if the Vehicle was manufactured in model year 1981 or later.
10. The Buyback Protection will expire the earlier of (a) the date the Customer sells the Vehicle or (b) one (1) year after the date of the first Report run by or for the Customer relating to the Vehicle.
11. This Buyback Protection is deemed assigned to the Transferee upon the sale of the Vehicle, provided that a copy of the Report is given to the Transferee and the Transferee registers in accordance with item 12.
12. In order for this Buyback Protection to be in effect for Transferees or Consumers, they must register with Experian within ninety (90) days of the date they purchased the Vehicle. Registration may be made online at www.autocheck.com/protection or by writing Experian for a registration form and submitting the same to Experian. The registration form must be completed and submitted to: Buyback Protection C/O Experian Automotive, 955 American Lane, Schaumburg, IL 60173.
13. Claims can be submitted to: Buyback Protection C/O Experian Automotive, 955 American Lane, Schaumburg, IL 60173. Please include name, address, telephone number, email address, the Vehicle Identification Number (VIN) of the Vehicle and a copy of the original report. Claim forms can be obtained online at www.autocheck.com/protection or by writing to Experian at the address above.
14. Experian reserves the right to cancel the Buyback Protection program at anytime, but pledges to honor all current and future Buyback Protection claims as long as they meet all of the Buyback Protection terms and conditions stated herein and the AutoCheck vehicle history report was run prior to Buyback Protection program cancellation.
15. Dealer Customers must use an AutoCheck Commercial Service in order for their transferees to be eligible for Buyback Protection. Because Dealer Customers are prohibited from using the AutoCheck Consumer Web site, they are not eligible for Buyback Protection if they purchase from a Consumer Web site, and their subsequent Transferees are not covered by Buyback Protection in such instance.
16. The Buyback Protection will be governed by the laws of, and Customer consents to the exclusive jurisdiction of the courts of, the State of Illinois, United States of America.

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One-page Summary of Alan Fuglestad's Testimony for Hearing on Car Title Fraud

The AutoCheck® Vehicle History Report is one of Experian's key automotive solutions. It provides increased transparency for consumers and businesses in the retail sale of pre-owned vehicles. A potential buyer can use an AutoCheck vehicle history report to quickly and easily understand potentially significant historic events regarding a pre-owned vehicle: the frequency and location of titles and registrations, past title brands, past accidents, and odometer history.

AutoCheck is similar to many other information products and services offered by Experian – it uses compiled, third-party information to benefit and protect consumers. Information sharing does create many benefits for consumers, such as

- expanding consumer access to credit at lower prices,
- enhancing consumer convenience and choice by expanding access to new products and services,
- facilitating the detection and prevention of financial fraud and other crimes, and
- promoting competition by facilitating the entry of new competitors into established markets.

These are just some examples of how information sharing helps consumers.

Because of the awareness of flood damaged cars in the Gulf region, Experian makes available to NADA members and consumers at no charge the AutoCheck storm scan that includes three types of information: self-reported information on storm-damaged vehicles from dealers and manufacturers, past vehicle title brands whether or not they are the result of a storm, and title and registration history that reveals whether the vehicle has been titled or registered in areas affected by a storm during the previous twelve months.

However, AutoCheck can only include that information that Experian can acquire. Toward that end, we seek to acquire the most recent information as quickly as possible so that businesses and consumers can have all available, relevant information when they are making a decision.

Experian works with many public and private partners to develop sources of relevant information. In addition to the state DMVs, Experian has enjoyed a good relationship with AAMVA and we are looking to further support their efforts to combat title and vehicle fraud. In addition, law enforcement agencies may use the AutoCheck product free of charge in their investigative efforts.

In providing AutoCheck, however, one of the primary business risks that Experian faces is the cost of buying data from the state DMVs. Increases in prices are a constant challenge for Experian, because we have to buy the data in bulk from all state DMVs before we sell a single vehicle history report. Experian cannot pass along every fee increase.

House Committee on Energy and Commerce

Witness Disclosure Requirement - "Truth in Testimony"

Required by House Rule XI, Clause 2(g)

Your Name: Alan Fuglestad

1. Are you testifying on behalf of a Federal, State, or Local Government entity? Yes No
XX

2. Are you testifying on behalf of an entity other than a Government entity? Yes No
XX

3. Please list any federal grants or contracts (including subgrants or subcontracts) which you have received since October 1, 2003:

None

4. Other than yourself, please list what entity or entities you are representing:

Experian Automotive

5. If your answer to question number 2 is yes, please list any offices or elected positions held or briefly describe your representational capacity with the entities disclosed in question number 4:

Vice President, Operations and Technology

6. If your answer to question number 2 is yes, do any of the entities disclosed in question number 4 have parent organizations, subsidiaries, or partnerships to the entities for whom you are not representing? Yes No
XX

7. If the answer to question number 2 is yes, please list any federal grants or contracts (including subgrants or subcontracts) which were received by the entities listed under question 4 since October 1, 2003, which exceed 10% of the entities revenue in the year received, including the source and amount of each grant or contract to be listed:

None

Signature: 

Date: 2-27-06

Alan Fuglestad
Vice President, Operations & Technology
Experian Automotive

Alan Fuglestad leads the Experian Automotive Operations and Technology group in the development, implementation and delivery of automotive solutions to the marketplace. Functions within his scope of responsibility include: Client Service - developing and delivering standard and custom information solutions for clients; Product Development - developing and implementing Web-based and other automotive software applications; Enterprise Data Management - data acquisition, production and management for Experian's National Vehicle Database; Infrastructure and Systems - technology infrastructure development and management; and Quality Control and Assurance - ensuring quality around all development and delivery processes and deliverables.

Alan joined Experian Automotive in August 2002 as the vice president of Technology. Previously, he spent 21 years at the professional services firm of Arthur Andersen in the areas of auditing, tax and consulting. During the last several years with Andersen, Alan led a group that developed, delivered and supported technology solutions for the 35,000 person worldwide professional services practice.

Alan has a bachelor of science degree with a dual major in computer science and accountancy from Northern Illinois University.